

Marine Transportation Advisory Board
Minutes
August 13, 2009

CALL TO ORDER

Cathie Roemmich, Chair, called the meeting to order at 9:00 am in the Commissioner's Conference Room, DOT&PF Headquarters Building, Juneau, Alaska.

ROLL CALL

Marine Transportation Advisory Board: Robert Venables, Maxine Thompson, Cathie Roemmich, Mike Korsmo, Gerald Hope (by teleconference), Clay Koplin (by teleconference), Seth Church and Patrick Owen. Absent: Mark Eliason, Shirley Marquardt and JC Conley.

INTRODUCTION OF THOSE PRESENT

DOT&PF/AMHS staff: Capt. John Falvey, Cyndi Ivey, Chuck van Kirk, Danielle Adkins, Kerri Traudt, Richard Leary, Jim Beedle, Andy Hughes, Anne Zenger, Jessie McCarron.

Members of the public: Leo Luczak, Shelly Wright, Ben Goldrich, Pat Forgey, Pam Forman, Deborah King, Clark Corbridge, Sue Cogswell, Marlene Campbell, Lonnie Adams, Dave Kensinger, Kaci Schroeder Hotch, Julie Isom, Kristen Bressette.

APPROVAL OF MINUTES

Robert Venables moved and Maxine Thompson seconded to accept the minutes of June 24, 2009. Motion passed

APPROVAL OF AGENDA

Patrick Owen asked that Yard Costs be added to the agenda; Gerry Hope asked that (1) Short Sea Proposed Pilot Project and (2) Spring/Summer 2010 Ferry Schedule be added to the agenda. Mr. Hope moved to accept the agenda. Mike Korsmo seconded the motion. Motion passed.

PUBLIC COMMENTS

Deborah King, Kodiak Chamber of Commerce, requested that consideration be given to changing the M/V *Kennicott's* schedule to coincide with Kodiak's annual Crab Festival and better accommodate transportation of equipment and rides for the fair to and from Kodiak as well as people attending the Festival.

Pam Forman, Crab Festival manager, spoke to additional funding for the *Kennicott*.

Clark Corbridge, Aleutians East Borough, requested increasing the M/V *Tustemena's* sailings.

Clay Koplin, read into the record a letter from Chuck Totemoff, Chairman and CEO, Chenega Corporation. Mr. Totemoff was travelling and unable to participate in the meeting.

I understand that the Alaska Marine Highway System's Marine Transportation Advisory Board is meeting to discuss the proposed capital budget. Other commitments will prevent me from being able to call in and offer testimony. As a result I want to offer written comments in favor of the project long sought by the Native Village of Chenega. The M/V *Chenega* cannot currently dock at Chenega due to physical constraints with the available dock and ramp. This means the community has experienced significant periods of time with no service. This circumstance happens in the late spring or early fall and the only vessel serving inside Prince William Sound is the M/V *Chenega*. We've experienced consecutive weeks without service on several occasions. The department at one time developed a capital project to address this problem and included it within the department's statewide improvement plan. The department later removed it from the STIP. The Native Village of Chenega sent requests back to reassess what modifications are needed. Undertaking this project will provide added scheduling flexibility in future years by allowing the M/V *Chenega* to serve the community of Chenega. This project needs to be added back into the new STIP. Having adequate and reliable ferry service is critical to Chenega's economic health and general well being. It is very difficult for our community to go more than one quarter each year without service.

Sue Cogswell, Prince William Sound Economic Development District, reiterated Mr. Totemoff's concerns and urged reinstatement of the project in the STIP.

Marlene Campbell, City and Borough of Sitka, thanked the board for its work. Ms. Campbell expressed Sitka's concerns about the Summer 2010 schedule and lack of service.

With the board's approval, Ms. Roemmich responded to the comments noting that the Board supports the requests for additional service by the *Kennicott* and *Tustemena*. Chuck vanKirk, Operations Manager, explained that when the operating plan was developed, there was an oversight discovered during the public comments on the proposed schedule. As soon as the *Malaspina* comes out for the dayboat service in Lynn Canal on May 23 the *Fairweather* will then be deployed to stay in tune with the 3-year schedule AMHS has committed to. The *Fairweather* will then serve Sitka on Thursday, Petersburg on Friday and then Sitka on Saturday and Sunday. In terms of the Angoon/Sitka connection, AMHS is following the progress of the dock project. It is anticipated that service will be implemented in the fall. Captain Falvey commented that the dock repair had intentionally been put off for the winter in order for Angoon to receive service. The dock project will continue in the spring and is scheduled to be completed by the end of summer. Mr. Venables asked that staff send a letter to the

mayor of Angoon outlining AMHS's plan for service and copy the Board. Sitka/Angoon service will not resume until the dock is completed. Jim Beedle explained that schedules are dependent on budgets.

Mike Korsmo suggested that the agenda item concerning scheduling issues be moved to this point in the discussion. The Board agreed.

Mr. Korsmo summarized the main comments from the scheduling teleconferences: the importance of the Bellingham run, *Fairweather* service, Aleutian Chain service and the *Kennicott* running on a full schedule thus allowing the *Tustemena* to travel out the Chain twice per month.

CAPITAL BUDGET REQUESTS

Mr. Korsmo discussed the draft FY2011 Capital Budget Recommendations noting that they are the same as the FY2010 recommendations with the addition of No. 2 recommending an additional \$741,000 to operate the M/V *Fairweather*. He also drafted a letter to Governor Parnell addressing the Board's goals.

Dick Leary recommended that the Board ask for a FY2010 supplemental request in the amount of \$1.385 M rather than \$809,000 for Recommendation No. 1.

Robert Venables suggested not including specific numbers to provide the level of service but include the cost for doing nothing.

Mr. Venables asked the unions to send letters of support to MTAB; Ben Goldrich (MEBA) agreed.

Mike Korsmo moved to accept Recommendation No. 1 for support for additional M/V *Kennicott* service. Seth Church seconded the motion. Motion passed.

Recommendation No. 2 was a result of public input during the scheduling teleconferences. Mr. Leary stated this too would be a supplemental request for an increase in service for the summer schedule.

Gerry Hope moved to rewrite Recommendation No. 2 and include it with the recommendations to the legislature and the governor. Mike Korsmo seconded the motion. Motion passed.

Gerry Hope moved to support Recommendation No. 3 but strike the wording 5 years. The motion was seconded by Patrick Owen. Motion passed.

Robert Venables offered a friendly amendment to remove the wording \$80 million from the recommendation and add wording 'to be ready to go out to bid in March'.

Mr. Hope stated that 'unanimous consent' identifying the *Fairweather* recommendation should be stated in the letter to Governor Parnell but is not.

Seth Church moved to strike Recommendation No. 4 as it is not an immediate concern for the board or AMHS. Mike Korsmo seconded the motion.

Gerry Hope moved to approve the draft letter to the governor as presented with the addition of Recommendation No. 2 and also for final signature dependent on the chair's edits. Patrick Owen seconded the motion.

Mr. Church suggested MTAB extend an invitation to Governor Parnell to ride on a ferry. It was agreed to include an invitation in the letter.

Clay Koplin offered a friendly amendment to include all of MTAB's recommendations in the letter.

He requested the Chenega dock upgrade be added to the STIP and so noted in the letter.

Andy Hughes reported the draft STIP is being prepared and could possibly go out for public comment as early as the week of August 17. The comment period will be at least 30 days.

Mr. Venables suggested the motion be withdrawn, that the chair and incoming chair rewrite the letter reflecting the discussion and send it out for board approval. Mr. Venables comments were a result of the motion by Mr. Hope to approve the draft letter and his reluctance to vote on a letter he hadn't seen.

Mr. Hope withdrew his motion with the concurrence of the second.

Robert Venables moved that the chair and incoming chair rewrite the letter reflecting the board's discussion and send it out to the board for approval. Seth Church seconded the motion. Motion passed.

MTAB SPENDING PLAN

Mr. Leary presented an overview of prior fiscal year monies allocated to support MTAB. In the past monies for MTAB expenses have allocated through the reimbursable services agreements (RSAs) and adjusted if additional monies had been needed. Since MTAB was established in statute they have been a line item in the Alaska Marine Highway System budget. Mr. Leary requested that should additional funds beyond \$35,700 be needed those funds be requested in the usual process as a supplemental request.

Mike Korsmo requested a monthly expenditure report be sent to MTAB; the board agreed. Mr. Korsmo will work with staff on expenditure projections.

MEETING SCHEDULE

Mike Korsmo suggested having two meetings on the ferries. He offered a scenario of riding the ferry to Sitka and flying home (in November). In January he suggested meeting in Juneau in January or February in order to meet with legislators. Another suggestion was to fly to Anchorage, take the ferry from Whittier to Cordova and fly out of Cordova. Meetings on the ferry would be work sessions and the public meetings would be held in the destination community.

Mr. Korsmo will work with staff to come up with possible scenarios. He requested that Board members email Cyndi Ivey dates when they are not available for meetings.

A meeting with the legislature will be an agenda item for the November meeting.

It was suggested that a representative of Alaska Airlines be invited to attend a meeting to discuss ferry and airline schedules.

The Board recessed for lunch at 11:45 am.

The Board reconvened at 1:15 pm.

EMAIL ADDRESS AND WEBSITE

Danielle Adkins, AMHS Marketing Manager, presented MTAB's underconstruction website.

Robert Venables, Shirley Marquardt, Maxine Thompson and Seth Church were appointed to the Web Page Working Group. Ms. Thompson was appointed chair.

Mr. Hope requested staff investigate business cards for the board.

LETTERS TO REP. SEATON and MAYOR MUSSALLEM

Clay Koplin reviewed his edits to the draft letters the chair requested Mr. Hope draft to Rep. Seaton and Prince Rupert Mayor Mussallem.

It was agreed to reword the last paragraph of the letter to Rep. Seaton to read "MTAB thanks you for bringing this matter to our attention."

Mr. Venables suggest deleting, in the first paragraph, the wording scheduled and invited you to a meeting'. In paragraph 3, change the wording to 'copied to your office' rather than 'delivered to your office'.

MTAB CHARTER

The Board briefly reviewed changes made at the previous meeting.

YARD COSTS

Patrick Owen asked that additional crew be placed on the ships while the ships are in overhaul. Capt. John Falvey briefed the Board on the complexities of an older fleet, the issues and budgetary process involved in maintaining them.

SHORT SEA PROPOSED PILOT PROJECT

Gerry Hope briefed the Board on Tlingit-Haida Central Council's proposal to have a 'wheel and hub' system and to contract with Allen Marine to operate it. The route would be Sitka, Kake, Angoon, Tenakee, Pelican, Hoonah and Juneau. Mr. Hope stated he had encouraged Tlingit-Haida Central Council to attend the MTAB meeting. He noted the City and Borough of Sitka voted to postpone their decision whether or not to support the system based on the written agreement that could be signed between THCC and Sitka Tribe of Alaska. THCC has pushed back the proposed date of operation from September 2009 to the Spring/Summer 2010. The primary interest at this point is to get the Marine Transportation Advisory Board into the discussion loop as well as the Alaska Marine Highway System.

Gerry Hope moved that MTAB send a letter inviting Tlingit Haida Central Council to the next meeting to present the Short Sea Proposal and provide supporting documentation for the proposal. Patrick Owen seconded the motion. Motion Passed

Maxine Thompson questioned why Tlingit Haida Central Council hasn't contacted MTAB.

Seth Church moved to table the previous motion; Robert Venables seconded the previous motion. Motion passed.

Mr. Venables recommended the board send a letter of inquiry asking for more information.

Cathie Roemmich moved the chair make a courtesy phone call to Tlingit Haida Central Council requesting additional information. Robert Venables seconded the motion. Motion passed.

Gerry Hope requested that the Short Sea Proposal be on the next agenda. Mike Korsmo and Cathie Roemmich will call THCC and report to the board.

BOARD COMMENTS

Maxine Thompson reiterated the need for staff to keep the board informed.

Cathie Roemmich thanked the staff for all the assistance during her term as chair.

Robert Venables requested that a written operations report be provided for each meeting. He also requested a hotline for the travelling public. He thanked all for the trip to Tenakee Springs.

Patrick Owen supported written reports from staff.

Seth Church stressed the importance of working with the legislature; he also supported meeting on the ferries.

Clay Koplin commented the schedule is working well; he requested the Chenega dock upgrade be on the next agenda.

Gerry Hope met by teleconference with Wrangell and Petersburg. Comments from these meetings included having the ferry schedule coincide with school events and activities as well as AMHS accessibility during weekends, holidays and whenever the offices are closed. The communities also expressed concern about the short timeframe to give comments on upcoming schedules. Good meeting.

Mike Korsmo commented on the short timeframe for sending in comments on the STIP. He reiterated that MTAB should nominate and advocate for STIP projects.

Mr. Korsmo asked for the board's concurrence to sending another letter to the congressional delegation and ask again for support for the Ferry System Investment Act and that the delegation hold hearings in the State of Alaska.

Seth Church requested assigned times on agenda items. Mr. Korsmo did promise to keep the board on task and to the agenda.

Mr. Church moved to adjourn at 3:00 pm. Robert Venables seconded the motion.